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PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA COMMISSION DIRECTIVE

ADMINISTRATIVE MATTER		DATE	January 15, 2020
MOTOR CARRIER MATTER		DOCKET NO.	2018-257-WS
UTILITIES MATTER	✓	ORDER NO.	2020-40
THIS DIRECTIVE SHALL	SERVE AS	THE COMMISSION'S	ORDER ON THIS ISSUE.
SUBJECT:			

DOCKET NO. 2018-257-WS - Application of Kiawah Island Utility, Incorporated for Adjustment of Rates, Charges, Classifications and/or Regulations for Water and Sewer Services - Staff Presents for Commission Consideration Kiawah Island Utility, Incorporated's Request for Approval of Two Pass-Through Rate Increases, Effective March 2020 and January 1, 2021, along with Approval to Advise Its Customers of the Adjustments in a Single Notice.

COMMISSION ACTION:

Kiawah Island Utility, Inc. states it has received a letter from the St. Johns Water Company informing it of two increases in rates to Saint John's wholesale customers, which will take effect in March 2020 and January 1, 2021.

The current rate for purchased water is \$3.128/1,000 gallons. The new rate as of March 1, 2020 is \$3.235, an increase of \$0.11 per thousand gallons. The rate effective January 1, 2021 will be \$3.342, which represents another increase of \$0.11/1,000 gallons. Kiawah's tariff allows it to pass-through Saint John's increases to its customers after notice.

Kiawah requests approval of the two submitted price adjustments to reflect both of these known increases when they take effect as well as approval to advise its customers of these adjustments in a single notice, so as to avoid the cost of mailing separate notices.

In the 30-day written notice prior to implementing the 2020 increase of \$0.11/thousand gallons, Kiawah states it will clearly explain the increase of \$0.11/1,000 gallons starting January 1, 2021. Kiawah also states it will apply the new rates to any usage after the rates go into effect, therefore the first will be reflected on the statements generated the week of April 5, 2020 with the 2021 increase reflected on the statements generated the first week of February 2021.

The Office of Regulatory Staff has reviewed this matter and states that it does not object to the passthrough charges. However, to alleviate any customer confusion that may occur, ORS recommends that Kiawah provide additional written notice at least 30-days prior to the January 2021 increase.

I move that we approve both of Kiawah's pass-through requests for purchased water cost from the St. Johns Water Company as allowed in its tariff. However, I also move that we deny the request to only provide one notice and require Kiawah to provide 30-days written notice for both requested increases.

PRESIDING	: <u>Randall</u>				SESSION:	<u>Regular</u>	TIME:	2:00 p.	m.
BELSER	MOTION 🗸	YES	NO	OTHER					

ERVIN	✓			
HAMILTON	✓			
HOWARD		□ <u>Absen</u>	<u>t</u> Annual Leave	
RANDALL	✓			
WHITFIELD	✓			
WILLIAMS		Absen	<u>t</u> Military Leave	
(SEAL)				RECORDED BY: J. Schmieding

